Long term bonds for power projects

3793. SHRIMATI VEENA VERMA:

SHRI MURODHAR CHANDRAKANT BHANDARE:

SHRI RAJUBHAI A. PARMAR:

Will the Minister of POWER be pleased to state:

(a) whether the launching of the long term bonds, intended for financing the power projects has been delayed due to the recent securities scam; and

(b) if so, how much of funds was sought *to* be raised, the terms of the bonds and by when the bonds are likely to be launched?

THE MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI KALP-NATH RAI): (a) and (b) The Planning Commission has allocated Rs. 1647 crores by way of Bonds for this Ministry of Power for 1992-93 for financing the projects to be executed by NTPC, NHPC, NPTC & DVC. In addition, Power Finance Corporation is required to raise Bonds for Rs. 720/- crores during the year. Raising funds through Bonds has not yet been possible due to the tight capital market conditions.

Fate of power project of Maharashtra

3794. SHRI SHIVAJIRAO GIRIDHAR PATIL: Will the Minister of POWER be pleased to state:

(a) whssther Government's attention has been drawn to the news-item which appeared in the Financial Express of 25th July, 1992 regarding the fate of Maharashtra Power Project; and

(b) if so, what are the details thereof and the action taken/proposed to be taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF POWER (SHRI KALP-NATH RAI): (a) Yes, Sir.

(b) Ministry of Power had issued a Press Release on the Subject which is given in the enclosed Statement. (See below)

Statement

Press Release

The second meeting of the High Powered Board on Private Sector Investment in the Power Sector under the Chairmanship of the Cabinet Secretary was held on 24.7.92. The status of ongoing as well as new proposals for investment in the power sector from foreign and Indian investments were reviewed.

The proposal received from the Enron Corporation for setting up a 2000-2400 MW gas based power project was discussed. The all inclusive price offered by Enron Corporation was considered and it was decided that individual Ministries will expedite their decisions regarding the different action points pertaining to them.

The MODI Group/EDF proposal for taking over of distribution of power in the Union Territory of Delhi was also discussed. It was decided that a Task Force would be set up to examine the proposal of privatising the generation, supply and distribution of power in Delhi.

The proposal from the Bombay Suburban Electric Supply (BSES) Company for amendment of the environmental clearance issued for the Dahanu Project (2x250 MW) to allow for retrofitting of the flue gas desulpharisation plant was considered. It was decided that the Ministry of Environment and Forests would take an expeditious decision re-garding this keeping in view the decisions of the Supreme Court and the Bombay High Court.

The question of allocation of gas for private sector gas based power projects was also considered. It was decided that a meeting would shortly be taken by Cabinet Secretary with Secretary (Power) and Secretary (Petroleum adn Natural